

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 03585 042130Z
ACTION STR-07

INFO OCT-01 ARA-10 IO-13 ISO-00 EB-08 STRE-00 AGRE-00
CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 PA-01 CTME-00 AID-05
SS-15 ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-15
NSCE-00 SSO-00 ICAE-00 INRE-00 /108 W
-----021138 042137Z /73

O 042105Z MAY 78
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC IMMEDIATE 7373
USMISSION GENEVA IMMEDIATE

LIMITED OFFICIAL USE BRASILIA 3585

EO 11652: N/A
TAGS: GATT, ETRD, MTN, BR
SUBJ: GATT ARTICLE XXVIII NEGOTIATIONS WITH BRAZIL

MISSION ALSO FOR USMTN

REF STATE 113212

1. ECONOFFS DELIVERED INFORMATION REFTEL TO SENIOR OFFICIAL
IN MINISTER OF INDUSTRY AND COMMERCE CABINET (WHO PROMISED TO PASS
THE MESSAGE IMMEDIATELY TO CALMON DE SA) AND TO FOREIGN MINISTRY'S
TRADE POLICY DIVISION CHIEF BOTAFOGO ON MAY 4.
FINATT EXPECTS TO PASS MESSAGE TO HIGH FINANCE OFFICIAL FOR
SIMONSEN ON MAY 5.

2. IN ECONOFFS' MEETING WITH BOTAFOGO FIRST SECRETARY MEDEIROS
WAS ALSO PRESENT. MEDEIROS QUICKLY STATED THAT THE GOB WOULD
CONSIDER AS "ILLEGAL" ANY ATTEMPT TO WITHDRAW CONCESSIONS SINCE
GATT WAIVER WAS GRANTED TO BRAZIL UP TO MARCH 31, 1979.
MEDEIRSO ALSO SAID HE DID NOT RECALL ANY CASE WHERE A DEVELOPED
COUNTRY HAD EVER WITHDRAWN CONCESSIONS TO AN LDC.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 03585 042130Z

3. BOTAFOGO SPOKE CALMLY AND AT LENGTH ON THE DIFFICULTIES
WHICH BRAZIL WAS FACING IN PREPARING ITSELF FOR ARTICLE XXVIII
NEGOTIATIONS. HE REVIEWED THE HISTORY OF THE CONTACT WITH THE
US ON THIS SUBJECT AND SAID THAT AT THE END OF MARCH WHEN THE
US HAD STATED ITS DISAPPOINTMENT WITH THE EXTENSION OF BRAZIL'S
WAIVER TO MARCH 31, 1979, NO MENTION HAD BEEN MADE OF RETALIATION.

HE SAID THAT IT WAS "PSYCHOLOGICALLY WRONG" TO SUGGEST RETALIATION ON THE EVE OF THE SUB-GROUP ON TRADE TALKS. ECONOFF REPLIED THAT THIS INDICATION OF US CONCERN WAS A REFLECTION OF REAL PRESSURES AND THE NEED TO MAKE SOME PROGRESS ON THESE ISSUES. BOTAFOGO REPEATED HIS EARLIER POSITION THAT IT WAS ALMOST IMPOSSIBLE FOR BRAZIL TO DELINK ARTICLE XXVIII NEGOTIATIONS FROM THE MTN SINCE SO MANY OF THE SAME ITEMS WERE COVERED IN BOTH AND THE SAME MINISTERIES WERE INVOLVED IN BRASILIA. ECONOFF REMINDED BOTAFOGO THAT IT WAS PRIMARILY FOR DELINKING PURPOSES THAT THE US HAD REQUESTED ARTICLE XXVIII NEGOTIATIONS AS A SEPARATE SUBJECT ON THE AGENDA FOR THE SUB-GROUP TALKS.

4. BOTAFOGO STATED IN A HYPOTHETICAL MANNER, IF THE US SHOULD DECIDE TO WITHDRAW CONCESSIONS THAT BRAZIL WOULD HAVE TO CONSIDER WHETHER IT WAS BETTER TO HAVE THIS RETALIATION THAN YIELD CONCESSIONS. BOTAFOGO ALSO OBSERVED THAT SERIOUS TALK OF RETALIATION WAS, OF COURSE, A HIGHLY POLITICAL MATTER. WHILE CONCERNED THAT THE US POSITION ON ARTICLE XXVIII NEGOTIATIONS WOULD NOT CONTRIBUTE TO THE ATMOSPHERE OF THE SUB-GROUP MEETING, HE EXPRESSED THE HOPE THAT NEITHER SIDE WOULD ALLOW THIS SUBJECT TO OVERWHELM THE DISCUSSION. JOHNSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TRADE AGREEMENTS, TRADE CONCESSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRASIL03585
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780191-0344
Format: TEL
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780595/aaaadcnj.tel
Line Count: 85
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4bf198a4-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 113212
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2796929
Secure: OPEN
Status: NATIVE
Subject: GATT ARTICLE XXVIII NEGOTIATIONS WITH BRAZIL MISSION ALSO FOR USMTN
TAGS: ETRD, BR, US, GATT, MTN
To: STATE GENEVA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/4bf198a4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014